

## Message Text

CONFIDENTIAL

PAGE 01 BONN 21459 01 OF 02 281716Z  
ACTION EUR-12

INFO OCT-01 EA-10 ISO-00 CIAE-00 DODE-00 PM-05 H-01  
INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02  
SS-15 USIA-06 ACDA-12 IO-13 AID-05 OMB-01 TRSE-00  
EB-08 HA-05 COME-00 /113 W  
-----024092 281721Z /41

R 281708Z DEC 77  
FM AMEMBASSY BONN  
TO SECSTATE WASHDC 4352  
INFO AMEMBASSY BERLIN  
AMEMBASSY VIENTIANE  
AMEMBASSY BANGKOK  
AMEMBASSY PARIS  
AMEMBASSY MOSCOW  
USLO PEKING

C O N F I D E N T I A L SECTION 01 OF 02 BONN 21459

E.O. 11652: GDS  
TAGS: PGOV, EAID, VN, GW  
SUBJECT: FRG/VIETNAM RELATIONS

REF: (A) BERLIN 09061 (NOTAL), (B) VIENTIANE 1635

BEGIN SUMMARY: DIPLOMATIC RELATIONS BETWEEN THE FRG  
AND VIETNAM ARE FRIENDLY BUT SHORT ON SUBSTANCE.  
VIETNAMESE SUPPORT OF THE GDR POSITION VIS-A-VIS BERLIN  
IS A MAJOR IMPEDIMENT TO ANY FRG AID PROGRAM, BUT EVEN  
WITHOUT DIFFERENCES OVER BERLIN FRG AID TO VIETNAM  
WOULD NOT BE LIKELY IN THE NEAR FUTURE. END SUMMARY.

1. IN DIPLOMATIC TERMS, RELATIONS BETWEEN THE FRG AND  
THE SRV ARE FRIENDLY, BUT NOT PARTICULARLY CLOSE.  
OUTSIDE OF SOME FRG DISSATISFACTION WITH THE LIVING  
CONDITIONS OF ITS DIPLOMATS IN HANOI, THERE ARE NO REAL  
BILATERAL PROBLEMS. THERE IS LITTLE TO THE BILATERAL  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BONN 21459 01 OF 02 281716Z

RELATIONSHIP, HOWEVER, OUTSIDE OF LARGELY PROSPECTIVE  
ECONOMIC LINKS--SOME TRADE AND INVESTMENT, AND MOST  
IMPORTANT FROM THE VIETNAMESE SIDE, AN FRG AID PROGRAM.

2. THE NOVEMBER VISIT TO BONN OF A VIETNAMESE DELEGA-  
TION (HEADED BY NGUYEN VAN KHA) FOCUSED ATTENTION ON THE  
THORNY PROBLEMS ASSOCIATED WITH ESTABLISHING AN AID

PROGRAM. THE VIETNAMESE, IN THE WORDS OF ONE FOREIGN OFFICE CONTACT, ARE ASKING FOR TOO MUCH TOO SOON. THEY ARE ACTIVELY SEEKING IMMEDIATE FRG ASSISTANCE FOR SEVERAL LARGE, MULTI-MILLION DOLLAR PROJECTS (A PAPER MILL, FERTILIZER PLANT, RENOVATION OF HAIPHONG HARBOR). THE GERMAN SIDE, WHICH HAS TO DATE PROVIDED NO DIRECT AID TO VIETNAM, SEES SUCH CAPITAL AID VENTURES AS SEVERAL YEARS OFF; AID TO VIETNAM WILL BUILD GRADUALLY ON SMALLER TECHNICAL ASSISTANCE PROJECTS.

3. BEFORE TECHNICAL PROJECTS CAN BE BEGUN, A BILATERAL AGREEMENT ON TECHNICAL AID MUST BE DRAWN UP AND SIGNED. THAT PROCESS IS CURRENTLY STALLED OVER A BERLIN CLAUSE. ACCORDING TO THE FOREIGN OFFICE, THE VIETNAMESE HAVE RECENTLY SUBMITTED A COUNTER-DRAFT OF THE PROPOSED AGREEMENT INCORPORATING A VARIATION OF THE FRANK-FALIN CLAUSE. (THIS IS THE 1972 COMPROMISE FORMULATION DEVELOPED BY THE FRG AND USSR, WHICH READS: IN CONFORMITY WITH THE QUADRIPARTITE AGREEMENT, THIS TREATY WILL BE EXTENDED TO BERLIN (WEST) IN ACCORDANCE WITH THE ESTABLISHED PROCEDURES.) LEGAL EXPERTS IN THE FOREIGN OFFICE ARE STUDYING THE VIETNAMESE DRAFT ALSO IN LIGHT OF THE GDR-SRV FRIENDSHIP AGREEMENT (REF. B). FRG EXPERTS BELIEVE THE FRIENDSHIP AGREEMENT MAY CONSTITUTE A NEW MODEL FOR GDR AGREEMENTS WITH THE DEVELOPING WORLD.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 BONN 21459 01 OF 02 281716Z

4. REGARDLESS OF THE LEGAL EXPERTS' OPINIONS, SUB-

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 BONN 21459 02 OF 02 281716Z

ACTION EUR-12

INFO OCT-01 EA-10 ISO-00 CIAE-00 DODE-00 PM-05 H-01  
INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02  
SS-15 USIA-06 ACDA-12 IO-13 AID-05 OMB-01 TRSE-00  
EB-08 HA-05 COME-00 /113 W

-----024087 281722Z /40

R 281708Z DEC 77  
FM AMEMBASSY BONN  
TO SECSTATE WASHDC 4353  
INFO AMEMBASSY BERLIN  
AMEMBASSY VIENTIANE  
AMEMBASSY BANGKOK  
AMEMBASSY PARIS  
AMEMBASSY MOSCOW  
USLO PEKING

C O N F I D E N T I A L SECTION 02 OF 02 BONN 21459

STANTIAL AMOUNTS OF FRG AID TO VIETNAM ARE MOST UNLIKELY  
IN THE NEAR FUTURE. WITHIN THE FOREIGN OFFICE THERE  
HAS BEEN VERY LITTLE SENSE OF URGENCY, AND THERE IS  
EVEN LESS NOW IN THE WAKE OF HONECKER'S RECEPTION IN  
HANOI.

5. SO AS NOT TO APPEAR TOTALLY UNINTERESTED, HOWEVER,  
THE FRG HAS PROVIDED THE SRV WITH LIMITED AMOUNTS OF  
INDIRECT AID. THE MOST SIGNIFICANT OF THESE HAS BEEN A  
\$750,000 GRANT, THROUGH THE UNHCR, FOR DISPLACED PERSONS.  
THERE MAY BE MORE GRANTS OF THIS TYPE (ALTHOUGH PERHAPS  
NOT THIS LARGE) UNTIL A TECHNICAL AID AGREEMENT IS  
SIGNED.

6. ACCORDING TO THE FOREIGN OFFICE AND THE MINISTRY OF  
ECONOMICS, PRIVATE FRG INVESTORS ARE LESS THAN ENAMORED  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BONN 21459 02 OF 02 281716Z

WITH THE VIETNAMESE INVESTMENT CLIMATE. SEVERAL FIRMS  
(SIEMENS, KRUPP, ETC.) HAVE SENT TEAMS TO VIETNAM FOR  
A FIRST-HAND LOOK, BUT ARE UNLIKELY TO DO MORE THAN THIS  
AT THE PRESENT TIME. WHILE THESE TEAMS DID ENCOUNTER  
SEVERAL PROFICIENT ADMINISTRATORS AND TECHNICIANS,  
THEY CAME AWAY UNIMPRESSED WITH THE UNSOPHISTICATED VIEW  
OF MOST VIETNAMESE OFFICIALS ON HOW TO DO BUSINESS WITH  
THE WEST.

7. THE OFFICIAL FRG POSITION ON PRIVATE INVESTMENTS IS  
THAT ALL TRANSACTIONS ARE AT THE MAKER'S OWN RISK.  
THERE ARE NO OFFICIAL GUARANTEES AT THE PRESENT TIME;  
HERMES HAS NOT YET EVEN CONSIDERED GRANTING GUARANTEES  
AND, IF IT DID, COULD BE EXPECTED TO PROCEED VERY  
CAUTIOUSLY.  
MEEHAN

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN RELATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 28-Dec-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977BONN21459  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770483-0632  
**Format:** TEL  
**From:** BONN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19771213/aaaaakoi.tel  
**Line Count:** 169  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** ec045efc-c188-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 BERLIN 9061, 78 VIENTIANE 1635  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 10-Jan-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 123519  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** FRG/VIETNAM RELATIONS  
**TAGS:** PGOV, EAID, VN, GE  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/ec045efc-c188-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009